NOTIFICATION

No. L.D. 827--Legis. 2-50-8, Bangalore, dated 26th April 1950.

Ordered that the accompanying Opium and Revenue Laws (Extension of Application) Act, 1950 (XXX III of 1950), published in the *Gazette of India*, dated the 20th April 1950, be republished in the *Mysore Gazette*, for general information.

By Order of His Highness the Maharaja,

B. S. PUTTASWAMY,
Legal Remembrancer and
Secretary to Government,
Law Department.

Received Assent on 18th April 1950.

ACT No. XXXIII OF 1950.

THE OPIUM AND REVENUE LAWS (EXTENSION OF APPLICATION) ACT, 1950.

AN

ACT

to provide for the extension of certain Opium and Revenue Laws to certain parts of India.

BE it enacted by Parliament as follows :—

1. *Short title.*—This Act may be called the Opium and Revenue Laws (Extension of Application) Act, 1950.

2. *Extension of certain opium and revenue laws to certain parts of India.*—(*1*) The following Acts, namely.—

(*i*) the Opium Act, 1857 (XIII of 1857),

(*ii*) the Opium Act, 1878 (I of 1878),

(*iii*) the Revenue Recovery Act, 1890 (I of 1890),

(*iv*) the Government Trading Taxation Act, 1926 (II of 1926),

(*v*) the Dangerous Drugs Act, 1930 (II of 1930),

(*vi*) the Taxation on Income (Investigation Commission) Act, 1947 (XXX of 1947), and

(*vii*) the Payment of Taxes (Transfer of Property) Act, 1949 (XXII of 1949).

and all rules and orders made thereunder, which are in force immediately before the commencement of this Act in certain parts of India, are hereby extended to, and shall be in force in the rest of India except the State of Jammu and Kashmir.

(2) The amendments specified in the Schedule shall be made in the aforesaid Acts.

3. *Modifications of State laws relating to income-tax investigation.*—If immediately before the commencement of this Act there is in force in any Part B State other than Jammu and Kashmir any law (hereinafter in this section referred to as "the State law") corresponding to the Taxation on Income (Investigation Commission) Act, 1947 (XXX of 1947), that law shall continue to remain in force with the ollowing modifications, namely :—

(*a*) all cases referred to or pending before the State Commission (by whatever name called) in respect of matters relating to taxation on income other than agricultural income shall stand transferred to the Central Commission for disposal:

Provided that the Central Commission shall not, by reason merely of the transfer of any case under the provisions of this section, be bound to recall or rehear any witness who has given evidence in the case, and may act on the evidence already recorded by or produced before the Commission which was originally investigating into the case;

(*b*) subject to the other provisions contained in this section, the State law shall, so far as may be, apply to determine the procedure that may be followed, and the powers that may be exercised, by the Central Commission in the disposal of the cases transferred to it under clause (*a*);

(*c*) any reference in the State law, by whatever form of words, to the State Government or the State Commission shall, in relation to income other than agricultural income, be construed as a reference to the Central Government or the Central Commission, as the case may be;

(*d*) the report of the Central Commission shall be submitted to the Central Government, and the Central Government may, by order in writing, direct that such proceedings as it thinks fit under the law in force in the State relating to income-tax, super-tax or excess profits tax or any other law, shall be taken against the person to whose case the report relates in respect of his income other than agricultural income, and upon such a direction being given, all such proceedings may be taken and completed under the appropriate law applicable in the State, as if the direction had been given and the proceedings had been instituted thereunder;

(*e*) where under any law in force in the State the agricultural income of an assessee is to be included in his total income for the purpose of determining the tax payable by him, the tax payable in respect of his income other than agricultural income shall be an amount bearing to the total amount of tax which would have been payable under the appropriate law in force in the State if a combined assessment had been made, the same proportion as such income bears to the total income including the agricultural income:

Provided that for this purpose any reduction of tax allowed on the agricultural income by the appropriate law in force in the State shall not be taken into account.

Explanation.—In this section, "Central Commission" means the Income-tax Investigation Commission constituted under the Taxation on Income (Investigation Commission) Act, 1947 (XXX of 1947).

4. *Repeals and savings.*—If immediately before the commencement of this Act there is in force in any Part B State, other than Jammu and Kashmir, or in the merged territory of Cooch Behar any law corresponding to any of the Acts specified

in section 2, other than the Taxation on Income (Investigation Commission) Act, 1947 (XXX of 1947), that law shall, upon the commencement of this Act, stand repealed :

Provided that such repeal shall not affect—

(*a*) the previous operation of that law, or

(*b*) any penalty, forfeiture or punishment incurred in respect of any offence committed against that law, or

(*c*) any investigation, legal proceeding or remedy in respect of any such penalty, forfeiture or punishment ;

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture or punishment may be imposed as if this Act had not been passed :

Provided further that anything done or any action taken under any provision of that law shall be deemed to have been done or taken under the corresponding provision of the Central Act as now extended to the State and shall continue in force accordingly.

5. *Removal of difficulties.*—If any difficulty arises in giving effect to the provisions of any of the Acts, rules or orders now extended to any part of India in which they were not in force before the commencement of this Act the Central Government may, by order published in the Official Gazette, make such provision or give such direction as appears to it to be necessary for removing the difficulty.

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THE SCHEDULE

[*See* Section 2 (*2*)]

Enactments amended

Year 1	No. 2	Short title 3	Amendments 4
1857	XIII	The Opium Act, 1857 ...	(1) In the preamble, omit the words "in the Presidency of Fort William in Bengal". (2) Insert the following as section 1, namely :— "1. *Short title and extent.*—(*1*) This Act may be called the Opium Act, 1857. (*2*) It extends to the whole of India except the State of Jammu and Kashmir".
1878	I	The Opium Act, 1878 ...	(1) In section 1, for the words beginning with "It shall extend to" and ending with the words "directs in this behalf", substitute the following, namely :— "It extends to the whole of India except the State of Jammu and Kashmir". (2) In section 3, for the definitions of "import", "export", "transport", "sale" and "sell", substitute the following, namely :— "customs frontiers" means any of the customs frontiers of India as defined by the Central Government under section 3A of the Sea Customs Act, 1878 (VIII of 1878) ; "import" and "export" mean respectively to bring into, or take out of, a State otherwise than across any customs frontiers ; "transport" means to remove from one place to another within the same State ; "sale" does not include sale for export across customs frontiers, and "sell" shall be construed accordingly ;
1890	I	The Revenue Recovery Act, 1890.	(1) In sub-section (*2*) of section 1, for the words and letter "Part B States" substitute the words "the State of Jammu and Kashmir". (2) In sub-section (*4*) of section 4, for the words and letters "a Part A State or a Part C State" substitute the words "any State to which this Act extends".
1926	III	The Government Trading Taxation Act, 1926.	(1) In the preamble, omit the words "or the Government of any Acceding State or other Indian State". (2) In Section 2,— (*a*) in sub-section (*1*), for the words, "in Part A States and Part C States" substitute the word "India"; (*b*) omit sub-section (*1A*); (*c*) in sub-section (*3*), add the following words at the end, namely :— 'and "India" means the territory of India excluding the State of Jammu and Kashmir'. (3) In section 3, for the words "upon an Acceding State or other Indian State" substitute the words and letter "upon a Part B State".
1930	II	The Dangerous Drugs Act, 1930.	(1) In sub-section (*2*) of section 1, for the words and letter "Part B States" substitute the words "the State of Jammu and Kashmir". (2) In sub-section (*1*) of section 39, for the words and letters "or an Act of the Legislature of a Part A State or Part C State" substitute the words "or an Act of any State Legislature".
1947	XXX	The Taxation on Income (Investigation Commission) Act, 1947.	In sub-section (*2*) of section 1, for the words and letter "Part B State" substitute the words "the State of Jammu and Kashmir".
1949	XXII	The Payment of Taxes (Transfer of Property) Act, 1949.	(1) In sub-section (*2*) of section 1, for the words and letter "Part B States" substitute the words "the State of Jammu and Kashmir". (2) In the *Explanation* to section 2, for the words and letter "Part B States" substitute the words "the State of Jammu and Kashmir"